Newspapers by ancestry
https://www.newspapers.com/image/514099367/

Downloaded on Feb 8, 2026

CANADA

Jitec head accused of 'supporting activity' in his stock

FACES CEASE-TRADE ORDER

By Sean Silcoff

The Quebec Securities Commission has issued a cease-trading order against Benoît Laliberté, the 28-year-old head of troubled Montreal computer networking firm **Jitec Inc.**

The QSC alleges Mr. Laliberté has been involved in an exceptional amount of trading in Jitec stock since the company listed on the Montreal Exchange in late July, following the reverse takeover of a near-dormant mining firm.

In addition, the commission claims Mr. Laliberté failed to report all of the trades executed by five accounts under his name, and an additional two accounts owned by a numbered company over which he has power of attorney.

"We're looking at a huge volume of transactions for a small company, something that is quite abnormal," said Jean Lorrain, the QSC's director of compliance and enforcement. Jitec "went from 82 per share to $11 in a very short period of time. [Mr. Laliberté] seems to be supporting the activity on the stock, and he's not supposed to be doing so.

"The staff of the commission believes he has maintained activity on the stock, and that the way in which that was done was improper ... we thought the volume was abnormal, just because of his presence."

When Jitec listed for trade July 26, Mr. Laliberté held 38.75 million shares, or 62% of the stock. Of that, he was entitled to freely trade 9.7 million shares. The next day, Mr. Laliberté desposited all 9.7 million of those shares to a new trading account with CIBC Wood Gundy — one of five trading accounts he opened with various brokerages during the summer under his own name.

Mr. Laliberté then transferred more than eight million of those shares to 35 different people or companies. Among those recipients were four accounts operated by a numbered company, 3733530 Canada Inc. Mr. Laliberté has power of attorney over at least two of those four accounts, the QSC said.

The numbered company has also been involved in heavy trading of Jitec stock, buying at least 600,000 shares of Jitec stock and selling at least as much.

At least one of the accounts operating under Mr. Laliberté's name also received some of the eight million shares distributed from Mr. Laliberté's CIBC account.

The five accounts registered directly to Mr. Laliberté have traded heavily in Jitec stock since then, buying 450,000 shares and selling more than 250,000. The commission alleges Mr. Laliberté failed to declare at least 60,000 of the shares he sold between the end of September and the beginning of November.

"There were a lot of transactions that were not declared," said Mr. Lorrain. "We don't have a precise number." He said the QSC has not laid any charges in its investigation, which is ongoing.

In an interview with the *National Post* on Oct. 27, Mr. Laliberté, the former winner of a Quebec entrepreneur of the year competition, admitted to trading "regularly" in his company's stock during the first month on the market, but added "it's been one month that I have not traded." He added: "As much as I have the right to sell, I have the right to buy. I bought in the market when I thought there was a good opportunity ... I have a passion for the stock market that goes way back. I have always liked trading."

Several former employees say Mr. Laliberté seemed perennially obsessed with Jitec's share price, even employing someone to sit in front of a bank of computer screens, tracking the stock's movement.

Mr. Laliberté did not return calls from the *Post* yesterday.

Jitec has operated under a cloud almost since the day it listed for trade. The company, which Mr. Laliberté founded from his home when he was 14, grew into a video game developer and computer reseller with revenue of $4-million last year.

But the company quickly transformed into a high-flying stock on the ME, becoming one of the most actively traded stocks on the junior exchange upon its listing this past summer. It also attracted the attention of shortsellers after its share price jumped from an opening day value of $3.80 to more than $10 just two weeks later.

The firm was also forced to issue two embarrassing clarifications to a pair of press releases that gave the impression that two major deals worth $145-million had been concluded, when in fact they were still in the works.

Financial Post, with files from Kathryn Leger
ssilcoff@nationalpost.com

Gretzky helps TransAlta go green

PETER HEDMAN / NATIONAL POST

Wayne Gretzky, left, a spokesman for Calgary-based power producer TransAlta Corp., with president Stephen Snyder in Toronto yesterday. The former NHL superstar discussed his role in TransAlta's Project Planet Challenge, an environmental initiative aimed at encouraging youths to do their part to save the planet. "Kids today know a lot more about the environment today than we ever did," Mr. Gretzky said.

Sears Canada stock hit by slipping sales

POOR BIG-TICKET SALES

By Hollie Shaw

Sears Canada stock wilted yesterday after the retailer revealed its sales slipped again in October at stores open for at least a year.

The department store, which also saw sharp declines in its catalogue business, saw its shares shed $1.50 yesterday to $23.30, a drop of 6%. The shares have taken a pounding in recent weeks after the company released underwhelming third-quarter results. A month ago, Sears shares traded in the $33 range.

Sears management had hoped October sales would reverse a slowing trend in sales of big-ticket items that hurt the retailer in its third quarter, which ended Sept. 30.

"The sales trend for October was significantly below our expectations," Paul Walters, Sears chairman and chief executive, said in a statement issued with the results late yesterday. "We continued to experience soft revenues in our big-ticket business for the third consecutive month."

Sears Canada said its October revenues rose a marginal 3.8% from a year earlier as sales slipped at stores open for at least a year and catalogue sales declined sharply. Sears said revenue in the four weeks totalled $577-million.

While many U.S. department stores release sales figures each month, it is not customary for their Canadian counterparts to do so. Sears Canada, which is majority-owned by U.S.-based Sears, Roebuck and Co., recently began the practice. Some analysts say Sears made the move to keep the investment community from speculating too wildly about the retailer's fortunes, which, until the last quarter, have been favourable since 1996.

"I think the practice is pretty positive, but I don't know if it will do anything to curb volatility," said one analyst who did not want his name published. "Rather than every quarter becoming a nail biter, every month becomes a nail biter, and monthly sales can swing dramatically."

The analyst added Sears' weak October numbers might lead him to lower his year-end estimates for the company, and he predicted other analysts would do the same.

Financial Post
hshaw@nationalpost.com

BRITISH FIRM BUYS STS

By Robert Thompson

A British company that provides software to retailers purchased Montreal-based **STS Systems Inc.**, a privately held business with 750 employees, for $388-million in cash and stock yesterday.

"Largely STS will be the North American operation," said Nikki Beckett, chief executive of **NSB Retail Systems PLC**, the London-based company, which had sales of more than $125-million in its last fiscal year.

Both firms provide software and services to some of the biggest retailers in the world. STS's clients will include Adidas-Salomon AG, Nike Inc. and Saks Fifth Avenue. The software allows retailers to manage their inventory, track sales and monitor their customer service.

Ms. Beckett said the two businesses have developed several partnerships over the past year. The merger makes sense, she said, because NSB does more than 80% of its business in Europe and England, while STS's sales are largely based in North America.

"It's not like we were looking at many other companies," she said. "We never really looked at anyone else."

The new company is expected to have annual revenue of around $250-million. The market for their products is growing at a 30% rate as fewer retailers are creating proprietary software that is specific to their company and are turning to software makers like NSB.

Financial Post
rthompson@nationalpost.com

Bombardier complaint probed

By Ian Jack

OTTAWA • The Canadian government is investigating a complaint by **Bombardier Inc.** that archrival **Embraer SA** of Brazil is still offering illegal subsidies to buyers of its regional jets.

The allegation could throw another huge wrench into discussions between the countries to avoid a multi-billion-dollar trade war.

"We're aware of some situations that are developing and we're monitoring them closely," said a Canadian trade official on condition of anonymity. "We're trying to figure out if there's a story there."

The sides are scheduled to have their first meeting in two months during the final week of November, immediately following the Canadian election. The meeting is to be held in Rio de Janeiro.

In recent days, Robert Greenhill, a vice-president at Bombardier, charged in an interview with a Brazilian newspaper that Embraer is offering subsidies for export sales that would break the rules of the World Trade Organization.

Embraer has denied the allegation.

The WTO has ruled the Brazilian government's Pro-Ex program of low interest rate loans illegal and authorized the Canadian government to impose hundreds of millions of dollars in sanctions. Both governments would rather avoid a full-blown trade war, which would penalize Canadian importers of Brazilian goods as well as hurt the Brazilian economy.

But the countries have been unable to agree on a deal. Canadian officials say that is because the Brazilians refuse to accept international rules on loans for export sales.

The late-November meeting will deal with any allegations that the Canadian government can substantiate, said Francois Lasalle, a spokesman for the Department of Foreign Affairs and International Trade. Canada and Brazil agreed the Canadian government would not impose sanctions as long as the sides are talking and the Brazilians do not resort to too-generous subsidies.

"Whatever may be happening now in relation to Brazil's domestic aircraft industry we'll address in Rio," Mr. Lasalle said. "If we find there's any breach of that we'll take it up with our Brazilian counterparts at the end of the month."

Financial Post, with files from The Associated Press
ijack@nationalpost.com

Rotman
Canadian Woman Entrepreneur of the Year Awards

Canadian Woman Entrepreneur of the Year Awards 2000
Dinner and Awards Ceremony
Thursday, November 23, 2000 – Royal York Hotel, Toronto

Join in the exciting tribute to Canada's most outstanding women entrepreneurs and celebration of women's entrepreneurship.

Entrepreneurship is an attitude, a behaviour and a set of values. When combined with the qualities of creativity, innovation, risk-taking and a strong need to achieve, the result is an individual whose style lights paths of opportunity for others to follow. The Canadian Woman Entrepreneur of the Year Awards are given to celebrate women who are turning visions into realities. Awards will be presented in five categories: Start-Up, Lifetime Achievement, Innovation, Impact on Local Economy, Export and Lifetime Achievement.

5:30 - 6:30 *Reception*
6:30 - 10:00 *Dinner and Awards Ceremony with co-hosts Anthony Comper, Chair and CEO, Bank of Montreal and Diane Francis, Financial Post Editor-at-Large, National Post*

For registration information contact: The Powerpoint Group at (416) 923-1688 or 1-800-354-3303.
For further information visit our website at www.cweya.com

Joseph L. Rotman School of Management, University of Toronto
Rotman
The Canadian Woman Entrepreneur of the Year Awards program is an initiative of the Joseph L. Rotman School of Management, University of Toronto.

Presenting Sponsor: Bank of Montreal
National Sponsors: NATIONAL POST wtn

Copyright © 2026 Newspapers.com. All Rights Reserved.